

ChinaAMC Select Fund

**ChinaAMC Select Money Market Fund**

Unaudited Semi-Annual Report

For the period from  
1 January 2022 to 30 June 2022



**华夏基金**  
**ChinaAMC**

UNAUDITED SEMI-ANNUAL REPORT

CHINAAMC SELECT MONEY MARKET FUND  
(a sub-fund of ChinaAMC Select Fund, an open-ended  
unit trust established as an umbrella fund under the laws  
of Hong Kong)

For the period from 1 January 2022 to 30 June 2022

CHINAAMC SELECT MONEY MARKET FUND  
(a sub-fund of ChinaAMC Select Fund)

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**IMPORTANT:**

Any opinion expressed herein reflects the Manager's view only and are subject to change. For more information about the fund, please refer to the explanatory memorandum of the fund which is available at our website:

<http://www.chinaamc.com.hk/en/products/public-fund/chinaamc-select-money-market-fund/documents.html>

Investors should not rely on the information contained in this report for their investment decisions.

CHINAAMC SELECT MONEY MARKET FUND  
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ADMINISTRATION AND MANAGEMENT

**MANAGER**

China Asset Management (Hong Kong) Limited  
37/F, Bank of China Tower  
1 Garden Road  
Central, Hong Kong

**DIRECTORS OF THE MANAGER**

Yang Minghui (resigned on 30 March 2022)  
Li Yimei  
Gan Tian  
Li Fung Ming  
Sun Liqiang (appointed on 30 March 2022)

**LEGAL ADVISER TO THE MANAGER**

Deacons  
5/F, Alexandra House  
18 Chater Road  
Central, Hong Kong

**TRUSTEE, ADMINISTRATOR AND REGISTRAR**

BOCI-Prudential Trustee Limited  
Suites 1501-1507 & 1513-1516, 15/F,  
1111 King's Road,  
Taikoo Shing, Hong Kong

**AUDITOR**

Ernst & Young  
27/F, One Taikoo Place  
979 King's Road  
Quarry Bay, Hong Kong

**CUSTODIAN**

Bank of China (Hong Kong) Limited  
14/F, Bank of China Tower  
1 Garden Road  
Central, Hong Kong

CHINAAMC SELECT MONEY MARKET FUND  
(a sub-fund of ChinaAMC Select Fund)

REPORT OF THE MANAGER TO THE UNITHOLDERS

**Introduction**

ChinaAMC Select Money Market Fund (the “Sub-Fund”) is a sub-fund of ChinaAMC Select Fund, an umbrella unit trust established under the laws of Hong Kong pursuant to a trust deed dated 12 January 2012, as amended or supplemented from time to time. The Sub-Fund’s objective is to invest in short-term deposits, high quality money market instruments of varying maturities and such other securities as permitted by the SFC’s Code on Unit Trusts and Mutual Funds. The Sub-Fund seeks to achieve long-term return in US dollars in line with prevailing money market rates, with primary considerations of both capital security and liquidity, by investing not less than 70% of the net asset value of the Sub-Fund in US dollar-denominated and settled short-term deposits and high quality money market instruments issued by governments, quasi-governments, international organizations, and financial institutions globally. The Sub-Fund will maintain a portfolio with weighted average maturity not exceeding 60 days and a weighted average life not exceeding 120 days and will not purchase an instrument with a remaining maturity of more than 397 days, or two years in the case of Government and other public securities.

**Market Review**

The 1st half of 2022 would surely go down in history. The abrupt escalation of the conflict between Russia and Ukraine, along with the rapid worsening of the pandemic in the mainland of China, have added to the turbulence in the global financial markets. With high inflation already a headache for many overseas economies, the pace of monetary tightening in developed markets has exceeded market expectations. All these surprises have cast a shadow on the prospects of global economic growth and stirred up enormous volatility in financial markets.

Looking ahead to the second half, the confluence of rising inflation and tightening cycles in overseas economies are set to weigh on global financial markets. On the other hand, China is expected to regain its growth momentum as the domestic pandemic situation improves. Moreover, there is also a notable effort to intensify policy support for economic stability in China, and the impact will be seen and felt, especially when the pandemic eases.

Meanwhile, for overseas bond markets, there are more rattling factors. Major developed countries are facing a real risk of stagflation amid weak supply and demand, as well as a looming economic downturn.

Though the Fed has described the economy as “weakening,” rather than in a recession, key macroeconomic indicators in the United States, such as retail, services, and housing data will be closely monitored by investors. We maintain a neutral to cautious outlook on the U.S. dollar interest rate duration as interest rates remain volatile and have not shown a trend of steady decline. In terms of the credit market, we prefer short-duration investment-grade bonds.

China Asset Management (Hong Kong) Limited  
22 August 2022

CHINAAMC SELECT MONEY MARKET FUND  
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STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period from 1 January 2022 to 30 June 2022

	For the period from 1 January 2022 to 30 June 2022 (Unaudited) HKD	For the period from 1 January 2021 to 30 June 2021 (Unaudited) HKD
<b>INCOME</b>		
Interest income on financial assets at fair value through profit or loss	83,499	70,733
Interest income on bank deposits	<u>298,461</u>	<u>162,874</u>
	<u>381,960</u>	<u>233,607</u>
<b>EXPENSES</b>		
Management fee	( 30,575)	( 24,514)
Trustee fee	( 44,626)	( 36,745)
Custodian fee and bank charges	( 7,523)	( 5,610)
Auditors' remuneration	( 70,416)	( 60,038)
Transaction handling fee	( 7,000)	( 5,000)
Other expenses	<u>( 22,418)</u>	<u>( 13,812)</u>
	<u>( 182,558)</u>	<u>( 145,719)</u>
Less: Reimbursement of expenses by the Manager	<u>160,303</u>	<u>-</u>
	( 22,255)	( 145,719)
<b>PROFIT BEFORE INVESTMENT AND EXCHANGE DIFFERENCES</b>	<b>359,705</b>	<b>87,888</b>
<b>INVESTMENT (LOSSES)/GAINS AND EXCHANGE DIFFERENCES</b>		
Net loss on financial assets at fair value through profit or loss	( 29,450)	( 45,811)
Net foreign exchange gain	<u>( 24,887)</u>	<u>842</u>
	<u>( 54,337)</u>	<u>( 44,969)</u>
<b>PROFIT BEFORE TAX</b>	<b>305,368</b>	<b>42,919</b>
Withholding tax	<u>-</u>	<u>-</u>
<b>INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>	<b><u>305,368</u></b>	<b><u>42,919</u></b>

CHINAAMC SELECT MONEY MARKET FUND  
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STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2022

	30 June 2022 (Unaudited) HKD	31 December 2021 (Audited) HKD
<b>ASSETS</b>		
Financial assets at fair value through profit or loss	10,004,220	7,274,413
Time deposits	55,537,797	14,047,437
Interest receivable	166,716	122,277
Amount due from Manager	85,483	53,558
Subscription receivable	13,200	289,675
Prepayments	7,118	584
Cash and cash equivalents	52,300,939	106,938,748
<b>TOTAL ASSETS</b>	<u>118,115,473</u>	<u>128,726,692</u>
<b>LIABILITIES</b>		
Financial liabilities at fair value through profit or loss	-	20,787
Management fee payable	15,144	15,475
Trustee fee payable	7,278	7,955
Redemption payable	9,041	5,020
Accrued expenses and other payables	203,903	264,519
<b>TOTAL LIABILITIES</b>	<u>235,366</u>	<u>313,756</u>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>	<u>117,880,107</u>	<u>128,412,936</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<u>118,115,473</u>	<u>128,726,692</u>

Note: The unaudited interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board and the relevant disclosure provisions specified in Appendix E of the Code on Unit Trusts and Mutual Funds of the Securities and Futures Commission of Hong Kong ( "SFC" ).

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2021, as described in Note 2 of the annual financial statements.

CHINAAMC SELECT MONEY MARKET FUND  
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STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (UNAUDITED)

For the period from 1 January 2022 to 30 June 2022

	Number of Units	HKD
At 31 December 2020 and 1 January 2021	6,376,745.58	63,935,269
Subscription of units		
- Class I HKD	4,615,084.18	46,500,000
- Class I USD	200,000.00	15,532,774
- Class A HKD	8,821.51	88,503
	<u>4,823,905.69</u>	<u>62,121,277</u>
Redemption of units		
- Class I HKD	(1,389,615.49)	(14,000,485)
- Class I USD	-	-
- Class A HKD	( 4,885.02)	( 49,008)
	<u>(1,394,500.51)</u>	<u>(14,049,493)</u>
Increase in net assets attributable to unitholders	<u>-</u>	<u>42,919</u>
At 30 June 2021	<u>9,806,150.76</u>	<u>112,049,972</u>
At 31 December 2021 and 1 January 2022	11,415,567.61	128,412,936
Subscription of units		
- Class I HKD	99,173.62	1,001,000
- Class I USD	10,088.78	784,745
- Class A HKD	623,332.61	6,260,767
	<u>732,595.01</u>	<u>8,046,512</u>
Redemption of units		
- Class I HKD	(743,421.48)	(7,499,643)
- Class I USD	(10,088.78)	(784,776)
- Class A HKD	(1,055,623.13)	(10,600,290)
	<u>(1,809,133.39)</u>	<u>(18,884,709)</u>
Increase in net assets attributable to unitholders	<u>-</u>	<u>305,368</u>
At 30 June 2022	<u>10,339,029.23</u>	<u>117,880,107</u>
	30 June 2022 (Unaudited)	31 December 2021 (Audited)
NUMBER OF UNITS IN ISSUE		
- Class I HKD	10,004,892.80	10,649,140.66
- Class A HKD	134,136.43	566,426.95
- Class I USD	200,000.00	200,000.00
NET ASSET VALUE PER UNIT		
- Class I HKD	HKD 10.0930	HKD 10.0685
- Class A HKD	HKD 10.0411	HKD 10.0224
- Class I USD	USD 9.9099	USD 9.9486

CHINAAMC SELECT MONEY MARKET FUND  
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STATEMENT OF CASH FLOWS (UNAUDITED)

For the period from 1 January 2022 to 30 June 2022

	For the period from 1 January 2022 to 30 June 2022 (Unaudited) HKD	For the period from 1 January 2021 to 30 June 2021 (Unaudited) HKD
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	305,368	42,919
Increase in financial assets at fair value through profit or loss	( 2,729,807)	( 22,685,998)
(Increase)/decrease in time deposits	( 41,490,360)	15,077,535
Increase in interest receivable	( 44,439)	( 166,303)
Increase in amounts due from manager	( 31,925)	-
Increase in prepayments	( 6,534)	-
Decrease in financial liabilities at fair value through profit or loss	( 20,787)	-
(Decrease)/ increase in management fee payable	( 331)	13,009
(Decrease)/ increase in trustee fee payable	( 677)	2,593
(Decrease)/ increase in accrued expenses and other payables	( 60,616)	54,626
Cash used in operations	( 44,080,108)	( 7,661,619)
Tax paid	-	-
Net cash flows used in operating activities	<u>( 44,080,108)</u>	<u>( 7,661,619)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of units	8,322,987	62,103,224
Payments on redemption of units	( 18,880,688)	( 14,045,493)
Net cash flows (used in)/generated from financing activities	<u>( 10,557,701)</u>	<u>48,057,731</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>( 54,637,809)</b>	<b>40,396,112</b>
Cash and cash equivalents at the beginning of the period	<u>106,938,748</u>	<u>43,089,679</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b><u>52,300,939</u></b>	<b><u>83,485,791</u></b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Bank balance	3,690,651	3,298,320
Short-term deposit	<u>48,610,288</u>	<u>80,187,471</u>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES INCLUDE:</b>		
Interest income on bank deposits	<u>298,461</u>	<u>162,874</u>

CHINAAMC SELECT MONEY MARKET FUND  
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PERFORMANCE TABLE (UNAUDITED)

Net assets attributable to unitholders

(calculated in accordance with International Financial Reporting Standards)

	Net asset value per unit	Net asset value HKD
As at 30 June 2022 (Unaudited)		
– Class I HKD	HKD 10.0930	100,979,798
– Class I USD	USD 9.9099	15,553,427
– Class A HKD	HKD 10.0411	1,346,882
As at 31 December 2021 (Audited)		
– Class I HKD	HKD 10.0685	107,220,419
– Class I USD	USD 9.9486	15,515,543
– Class A HKD	HKD 10.0224	5,676,974
As at 31 December 2020 (Audited)		
– Class I HKD	HKD 10.0263	63,909,547
– Class A HKD	HKD 9.9884	25,722
As at 31 December 2019 (Audited)		
– Class I HKD	HKD 10.0037	111,538,502

Highest issue price and lowest redemption price per unit<sup>1</sup>

(calculated in accordance with the Trust Deed)

	Highest issue price per unit	Lowest redemption price per unit
For the period from 1 January 2022 to 30 June 2022 (Unaudited)		
– Class I HKD	HKD 10.1068	HKD 10.0851
– Class I USD	USD 9.9823	USD 9.9105
– Class A HKD	HKD 10.0548	HKD 10.0370
For the year ended 31 December 2021		
– Class I HKD	HKD 10.0854	HKD 10.0731
– Class I USD	USD 10.0115	USD 9.9531
– Class A HKD	HKD 10.0412	HKD 10.0314
For the year ended 31 December 2020		
- Class I HKD	HKD 10.0773	HKD 10.0243
- Class A HKD	HKD 10.0400	HKD 10.0000
For the period from 29 March 2019 (date of inception) to 31 December 2019 (Audited)		
- Class I HKD	HKD 10.0840	HKD 9.9558

<sup>1</sup> Past performance figures shown are not indicative of the future performance of the Sub-Fund.

CHINAAMC SELECT MONEY MARKET FUND  
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STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)

For the period from 1 January 2022 to 30 June 2022

	As at 01 January 2022	Movement in holdings			As at 30 June 2022
		Addition	Bonus/ Dividends	Disposal	
<b><u>DEBT SECURITIES</u></b>					
BANK OF CHINA LTD/HONG KONG 2.59% A 17OCT2022 FXCD	-	2,000,000	-	-	2,000,000
CHINA CONSTRUCTION BANK CORP/MACAU 0% A 10JUN2022	-	2,000,000	(1,000,000)	(1,000,000)	-
CNAC HK FINBRIDGE CO LTD 3.125% S/A 19JUN2022	300,000	-	(300,000)	-	-
GUOTAI JUNAN INTL HLDGS LTD 0.78% A 12MAY2022	1,000,000	-	(1,000,000)	-	-
MUFG BANK LTD/HONG KONG 2.16% Q 05JUL2022 FXCD	-	8,000,000	-	-	8,000,000
SUMITOMO MITSUI BANKING CORP/HONG KONG 3.18% Q 30MAY2022 FXCD	-	5,000,000	(5,000,000)	-	-
SWIRE PACIFIC MTN FINANCING LTD 4.5% S/A 28FEB2022	500,000	-	(500,000)	-	-
<b><u>UNLISTED FOREIGN CURRENCY FORWARD CONTRACTS</u></b>					
Buy HKD 2,405,755.00 and Sell USD 310,000.00 T/D 2021-07-15 S/D 2022-06-21	1	-	-	(1)	-
Buy HKD 3,888,760.00 and Sell USD 500,000.00 T/D 2021-11-01 S/D 2022-02-28	1	-	-	(1)	-
<b>Total investment portfolio</b>	<b>1,800,002</b>	<b>17,000,000</b>	<b>(7,800,000)</b>	<b>(1,000,002)</b>	<b>10,000,000</b>

CHINAAMC SELECT MONEY MARKET FUND  
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INVESTMENT PORTFOLIO (UNAUDITED)

30 June 20222

	Nominal Value	Fair Value HKD	% of net asset
<b>DEBT SECURITIES</b>			
<b>China</b>			
BANK OF CHINA LTD/HONG KONG 2.59% A 17OCT2022 FXCD	HKD 2,000,000	2,004,220	1.70%
		<u>2,004,220</u>	<u>1.70%</u>
<b>Cayman</b>			
MUFG BANK LTD/HONG KONG 2.16% Q 05JUL2022 FXCD	HKD 8,000,000	8,000,000	6.79%
		<u>8,000,000</u>	<u>6.79%</u>
<b>Total investments portfolio (Cost: HKD 10,015,657)</b>		10,004,220	8.49%
<b>Other net assets</b>		<u>107,875,887</u>	<u>91.51%</u>
<b>Total net assets as at 30 June 2022</b>		<u><u>117,880,107</u></u>	<u>100.00%</u>

CHINAAMC SELECT MONEY MARKET FUND  
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INVESTMENT PORTFOLIO (UNAUDITED) (continued)

30 June 2022

	<b>Days</b>		
Portfolio weighted average maturity in days	43		
Portfolio weighted average life in days	44		
		<b>Fair value (in HKD)</b>	<b>% of net assets</b>
Daily liquid assets		118,009,672	100.11%
Weekly liquid assets		118,009,672	100.11%

CHINAAMC SELECT MONEY MARKET FUND  
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DISTRIBUTION DISCLOSURE (UNAUDITED)

For the period from 1 January 2022 to 30 June 2022

According to the distribution policy, no dividends or distributions will be made by the Sub-Fund.

CHINAAMC SELECT MONEY MARKET FUND  
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RECONCILIATION OF NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (UNAUDITED)

As at 30 June 2022

HKD

Net assets attributable to unitholders (calculated in accordance with International Financial Reporting Standards)	117,880,107
Adjustment for preliminary expenses	161,042
Adjustment for unsettled capital transactions	<u>(4,160)</u>
Net assets attributable to unitholders (calculated in accordance with the Trust Deed)	<u>118,036,989</u>
Net assets attributable to unitholders (per unit) (calculated in accordance with International Financial Reporting Standards)	
- Class I HKD	HKD 10.0930
- Class A HKD	HKD 10.0411
- Class I USD	USD 9.9099
Net assets attributable to unitholders (per unit) (calculated in accordance with the Trust Deed)	
- Class I HKD	HKD 10.1068
- Class A HKD	HKD 10.0548
- Class I USD	USD 9.9234



**华夏基金(香港)有限公司**  
CHINA ASSET MANAGEMENT (HONG KONG) LIMITED

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